

06-121



Jean Godden
Seattle City Councilmember

November 30, 2006

FILED/ACCEPTED
JAN - 9 /007
Federal Communications Commission
Office of the Secretary

Federal Communications Commissioners
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: Testimony of Seattle City Councilmember Jean Godden, Chair of Seattle City Council's Energy and Technology Committee, given at an FCC public hearing at the Seattle Public Library on November 30, 2006

Greetings:

My thanks to Federal Communications Commissioners Adelstein and Coppers for giving Seattleites an opportunity to speak on this matter of grave concern to all who value an informed citizenry.

As a career journalist and now as an elected member of the Seattle City Council, I am perhaps more alarmed than most over proposals for an unprecedented consolidation of media. In recent years, consolidation already has drastically reduced the independent avenues of communication in this country. To allow more consolidation through the ability to own TV and radio stations as well as newspapers in a single market is a scary prospect for a free people.

In past years, we, in the Seattle metropolitan region, have been fortunate. We have had access to more independent outlets than most. But we, too, have seen consolidation among papers and the electronic media. The number of independent voices has been slowly but drastically reduced. Many voices have been silenced forever.

Recognizing that loss, the Seattle City Council on November 27, 2006, joined a coalition of consumer, public interest, media reform and organized labor groups and passed Resolution # 30937 supporting a Bill of Media Rights. This resolution is not a first; it builds upon a 2003 City Council Resolution # 30581. It rightly observes that "a free and vibrant media, comprised of diverse voices and opinions, is the lifeblood of American democracy."

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The resolution quotes a U. S. Supreme Court ruling that the First Amendment protects the public's right to "an uninhibited marketplace of ideas in which truth with prevail" and calls for "suitable access to social, political, esthetic, moral and other ideas and experiences." The court affirmed that it is "the right of viewers and listeners, not the right of broadcasters, which is paramount."

What matters greatly to this city is a parallel concern: wrongheaded attempts to limit the ability of local governments to negotiate with their cable providers. It was through such negotiations that, earlier this year, Seattle was able to expand provision for a citizen access network. The franchise agreement provides free access to the internet for schools, low-income and immigrant communities. Finally it enables Seattle's municipal channel, tops in the nation, to offer 12 hours a week of arts programming for the next 10 years.

Without local oversight in these areas, we may not be able to preserve small, independent voices that are essential in a democracy. It is not "freedom from," but "freedom for;" not the right to broadcast and publish, but the right to be informed that is at the heart of the First Amendment.

Commissioners Adelstein and Cobb, I want to thank you for your work on this issue and for listening to Seattle's citizens regarding their concerns on this issue. On behalf of the Seattle City Council, I am here to ask the commission to act in the public's interest. The Seattle City Council urges the commissioners to preserve and protect a multitude of voices, rather than granting monopoly rights to those who can own a broadcast station using the public airwaves.

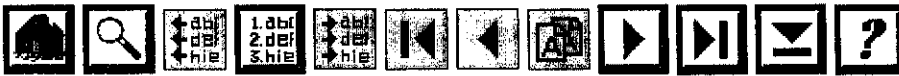
Sincerely,

A handwritten signature in black ink, appearing to read "Jean Godden", with a long horizontal flourish extending to the right.

Jean Godden

Seattle City Councilmember

Energy and Technology Committee Chair



City of Seattle Legislative Information Service

Information updated as of November 30, 2006 3:05 PM

Resolution Number: 30937

A RESOLUTION supporting a Bill of **Media Rights**.

Date introduced/referred: November 27, 2006

Date adopted: November 27, 2006

Status: Adopted

Vote: 7-0 (Excused: Drago, McIver)

Committee: Full Council for Introduction and Adoption

Sponsor: GODDEN, CO-SPONSOR LICATA

(No indexing available for this document)

Text

A RESOLUTION SUPPORTING A BILL OF MEDIA RIGHTS.

WHEREAS, a free and vibrant media, comprised of diverse voices and opinions, is the lifeblood of American democracy and the engine of growth for its culture and economy; and

WHEREAS, Seattle in the past has been fortunate to have numbers of independent media outlets that have fostered a diversity of opinion and shaped an independent and democratic free society;

WHEREAS, in recent years, unprecedented corporate consolidation in the U.S. has dramatically reduced the number of voices represented in the mass media; and

WHEREAS, most of America's news and entertainment content is commercially produced, distributed, and controlled by a small number of large media conglomerates in whose interest it is to minimize competition and maximize corporate profits at the expense of competition meant to better serve the public interest; and

WHEREAS, the U.S. Supreme Court has ruled that the U.S. Constitution's First Amendment protects the public's right regarding the media to "an uninhibited marketplace of ideas in which truth will prevail" and calls for "suitable access to social, political, esthetic, moral, and other ideas and experiences" and that "it is the right of viewers and listeners, not the right of broadcasters, which is paramount"; and

WHEREAS, when civic policies place media conglomerates' commercial interests over the public's Constitutional rights, it places America's democracy, culture, and economy at risk; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE:

Section 2. The Seattle City Council supports the following principles that foster the diverse opinions of individuals and help to shape an independent and free American society. The American public has the right to access media in an open marketplace of ideas. The American public has the right to use the public airways in order to best serve the public interest. The American public has the right to media that reflect and respond to local interests.

[illegible]

Filed by me this _____ day of _____, 2006.

Figure 1

(Seal)

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Media Bill of Rights Reso.112706.doc

11/27/06

Version # 3

Form last revised on 7/17/06 1

Fiscal Note



06-121

Comments to FCC commissioners

Seattle, Washington

November 30, 2006

By

Steve Krueger

President, Seattle local

AFTRA

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JAN - 9 2007

Federal Communications Commission
Office of the Secretary

John's given you the black and white of media consolidation in the Seattle market. I'd like to talk to you about how that constriction of media ownership affects the radio market here, and more importantly how that impacts the free flow of ideas and information.

For the past 14 years, I've worked as a journalist with KPLU, a major, professional National Public Radio station serving all of Western Washington. I say that with pride...both because I believe my colleagues and I do a good job of informing and educating the public, and because we radio reporters are becoming an endangered species.

Only four of the 48 stations here even offer local newscasts. Some offer an endless montage of talk shows, but these generally fall exclusively into the category of entertainment. The emotion-driven, endless chatter they offer helps to form public opinions, certainly, but provides little in the way of factual information that I believe a citizen in a free society needs to form educated and fact-based opinions that can, in turn, help to shape public policy.

The reason is simple: providing local news is expensive. It cuts into the bottom line ethic of the large corporations that, as John has explained, increasingly control the radio market here and elsewhere across America. Consolidation of media ownership, in

other words, has worked exceedingly well for the big companies that own the stations...but not so well for the public that I believe is thirsty for facts about the events that shape their lives.

America's broadcast owners are creating a society that is starving for information. They offer the public noise and chatter designed to increase ratings numbers that will increase corporate profits...but little by which the public can weigh the events such as war and peace.

The result is a confused electorate, one which admits that it has trouble using critical thinking to evaluate events and trends that will affect society in coming years. This is not a partisan political issue: this is a problem that speaks to the very functioning of democracy. If those who vote do not believe they understand the issues, why should they vote at all?

We truly live in an information age, but we need to consider what kind of information we are talking about. Should radio only be a platform for the screamers and panderers? Or should the public be able to hear the facts that empower participants in a democratic society?

Station owners say they're only giving the public what it wants. That's a lie. They're giving themselves what they want: the unrestricted ability to generate huge profits at the expense of American democracy.

Comment on Media Ownership (Docket 06-121)

Jeff Hanson
524 Highland Dr #8
Seattle, WA 98117

Nov. 30 2006

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JAN - 9 2007

**Federal Communications Commission
Office of the Secretary**

Commissioners... community... time keeper... I am Jeff Hanson. I think we are following a dangerous path. We are becoming more and more an oligarchy, and less and less a democracy. We need a vibrant, diverse, hard-hitting free press if we are going to survive as a democracy. Thank you.

Comment on Media Ownership (Docket 06-121)

Bob Grubbs
10744 SW 110 St
Vashon, WA 98070

Nov. 30 2006

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JAN - 9 7007
Federal Communications Commission
Office of the Secretary

Hi, my name is Bob Grubbs and I live on Vashon Island. I moved here about two years ago after spending about most of my life in Southwestern Ohio. I used to listen to a radio station there called WYSO (at Yellow Springs, Ohio) which had an amazing talented staff and featured a nice mix of NPR and PRI shows, and some locally produced and hosted programming as well.

I'm here tonight really because -- as a result of watching with horror -- as that station purged most of its local programming and was assimilated into the board like NPR entity, you know resistance is futile. I became painfully aware in this process at just how this national trend towards media consolidation can play out at the local level and it continues to drive locally produced broadcasting, I think, to extinction.

As even non-commercial radio has gone increasingly into income-driven formats, there's less and less coverage of community-relevant issues and events, and musical genres (such as jazz and classical) are finding less bandwidth these days. Even though they have smaller audiences I still think they are extremely important that we hear them.

So were left then with what I call big box radio. One size fits all, off the rack, a reduced-options menu of syndicated programming with little or no connection to the local community that this radio ostensibly serves. I realize that I am preaching to the choir so far as both of you are opposed to the reduction in ownership limits and have opposed it previously and do so now.

So I ask you to take this message back to the other commissioners in Washington. The American people want the opportunity to listen to what others in their communities -- people whom they know and can trust -- think about various local issues or about a play that's being performed in the local community theatre. They want to talk to or hear people who can tell them where the fish are biting. And hear who's performing at the café downtown. As you rightly observed in your recent editorial in the Seattle Times, commissioner Copps, the American people, not the corporations own the airwaves. I submit to you that loosening the controls regulating media conglomerates is not what most Americans want to hear from the FCC. Thank you.

Comment on Media Ownership (Docket 06-121)

Andrew Skotdal, KRKO
2707 Colby Avenue, Suite 1380
Everett, Washington 98201

Nov. 30 2006

FILED/ACCEPTED
JAN - 9 2007
Federal Communications Commission
Office of the Secretary

My name is Andy Skotdal. I am a licensee of a single-directional AM radio station in Everett. I am one of five locally based station licensees left in Snohomish, King, and Pierce counties. Two of my local owner counterparts, James Sue and Chris Bennett, both own a newspaper and a couple of stations. One serves the Korean community and one serves the Central District. Both operations are extremely successful in delivering local news to the respected communities. I would argue that local news and diversity clearly benefit from these combinations. I also serve as the vice chairman of the Washington State Association of Broadcasters (WSAB). The WSAB strongly believes in competition and media diversity.

In Seattle, we believe that competition should include two newspapers, not a one-newspaper monopoly. Over 100 communities lost their second daily newspaper because it completely closed or merged in the last 13 years. Cross-ownership could have saved those papers and made local stations stronger. Media diversity in Dallas was not served when the Times Herald closed nor will media diversity be served in Seattle if the Seattle Post-Intelligencer is forced out without a chance of cross-ownership. The third circuit's 2004 decision endorsed the fact that, commonly, newspaper and TV stations produce better local news and higher quality and a better quantity -- and 45 grandfathered TV-newspaper combinations prove this is true.

Most small cities in America have only one local news outlet. Many are lucky to have two competing news outlets. Seattle has more than 20. People want more local news. By focusing on ancient broadcast rules in the hope for more local news is like trying to stop all foreign car imports by focusing on England. The Washington State Association of Broadcasters believes there is common ground, and the broadcasters I know believe passionately in serving their communities well, including by adversary Clear Channel. I respectfully ask that the rhetoric and platitudes be toned down and that you both maintain an open mind to the potential public benefits of the changes as well. You can't discuss local news in isolation without also recognizing the market changes that supported the news in the first place, and the WSAB looks forward to having that discussion. Thank you.

Comment on Media Ownership (Docket 06-121)

Emily Horswill
3333 148th St SW
Lynnwood, WA 98087

Nov. 30 2006

Well, you heard it. My name is Emily. Seventy-one years ago this month, I saw my first article published. Between then and President Reagan, I earned 26 awards. When he came in, he did not like environmentalists so he pretty well deleted me as a journalist, not as an author. But, at that time, he also did one other thing – he gave the Westinghouse Corporations immunity from taxes practically to buy up and dispose of the ultra-voices. He may not have known it, but he was really a tool of the people who are in the White House now.

They began in 1968 in their effort to control the world. At that time, one of them wrote his thesis on how easy it would be to scare us into submission. I think it is about time that we turn this thing around and scare them. As you can see, I belong to one of the groups that has been making [...] noise.

I think that what we should do is copy the media, copy the corporations, and consolidate as they did. When we have just four of us, we should hit them hard on four issues: first, impeach; second, delete corporations – don't just fix them, delete them; thirdly, we will do it with IRV which is a system of voting that would take it back to the people; and finally, we have to reinvent the independent journalists. They have been losing now for years. It is the only way that you get actual truth, because that is why they are independents. Thank you.

Comment on Media Ownership (Docket 06-121)

FILED/ACCEPTED

John Carlson
140 4th Avenue North, Suite 340
Seattle, WA 98109

JAN - 9 2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

A quick 30-second introduction: my name is John Carlson. I was the Republican nominee for governor here in 2000 and took home the silver medal in that particular contest, despite the support of so many people here in the room. I'm the founder and former president of a free-market think tank here in Washington State, The Washington Policy Center. I've sponsored several state-wide initiatives and for a dozen years I have been on a radio talk show host on station KVI.

I sincerely regret that Mr. Martin, Ms. Tate, and Mr. McDowell couldn't be here today to join you. For one thing, if they had, there would be at least four Republicans in the room. But more to the point, gentlemen, it would give me a chance to show them that the effects of media consolidation on the ground here in this Washington are far different than what it may appear in the sky box from the other Washington. When deregulation leads to competition, it is a good thing. When it leads, however, to massive consolidation and the concentration of more and more power on the airwaves in fewer and fewer hands, this is a cause of genuine concern.

Now here again is the reality on the ground, in this Washington, in my industry, the radio industry. Of the 30 largest radio stations in Seattle, there are about 40 that you can get a signal from. But at the top thirty, 90% are owned by media companies outside the state. There are only 3 radio stations in Seattle anymore that are locally owned among the top 30. In addition, there is not a single radio station among those top 30 that is singularly owned -- all the radio stations are owned by chains.

Now there are lots of businesses that have chains these days: banking, retail, restaurants... but a competitor can start a local bank. A competitor can start a restaurant. The number of radio signals is finite. It is limited. There needs to be a referee to protect the ability of smaller, locally owned media companies to compete. The FCC is that referee because at a certain point consolidation doesn't lead to competition... it inhibits competition. That is something that other free market conservatives like Bill Safire understand, but it is not something that corporate interests are going to acknowledge because corporate interests look out for the interest of the corporation -- not for the principles of competition.

Decisions on which shows to run (when, where, and why) by radio stations that are owned by outside chains increasingly have nothing to do with that station or sometimes even that market. Now, let me give you a quick illustration of that. Several years ago, local radio stations here in Seattle -- locally owned -- decided to compete with the station that was running the Seattle Mariners' games. They wanted to run the Mariners' games

and they put together their proposal. The station that had been running the Mariners' games for 8, 15, 18 years... they made their presentation. The locally owned company won the rights to broadcast the Mariners. It's good old-fashioned competition.

Now the company -- the out of state company that owned a group of radio stations including the one that lost the Mariners -- decided to get back at the locally owned company by going after one of their popular syndicated hosts. And again, competition was anticipated but the syndicate company said 'You know what? We have interests with the group owner back in some of the larger markets back East, so we are just going to move that host off your station to one of these other stations owned by this group.'

In other words, there was no competition for this talent. It had nothing to do with the station, it had nothing to do with this market -- the decision was based on things on the other side of the country. That is an example of how consolidation is actually undermining and inhibiting competition. Now, the rebuttal to all this -- and I think we have all heard it -- is that there is more sources of news, information, and entertainment for people today than ever before thanks to the internet, cable, satellite radio, and other forms of communication. That is true.

However, that is not what the FCC says when they are addressing the issue of indecency on the airways. When the issue of nudity or language comes up, the FCC says 'It doesn't matter what's on cable. It doesn't matter what's on satellite radio. It doesn't matter what's on the internet. Our focus is on the public's interest on the public's airways because the public owns them, and we have a responsibility to safeguard that public interest.'

So, gentlemen, when it comes to local news and programming... shouldn't the standard be the same? Shouldn't the FCC focus exclusively on the airwaves that it regulates just as it does when it takes up the issue of decency? Let me also point out -- in concluding -- that while conservatives like me love the market, we also believe that local government is closer to the people than distant government because local knowledge is often the best knowledge. Local ownership is the best way to preserve local content. If you have stations with syndicated music, syndicated talent, basically what you've got there is a jukebox. But local talent, local entertainment, local talk, and local news are especially a local preserve; they are best safeguarded by local ownership. I hope the FCC will consider this when deciding that excessive consolidation often undermines this voice. Thanks very much.

FILED/ACCEPTED

Robert Jeffrey, Publisher, Colors NW
1319 Dexter Ave. N, Suite 250
Seattle, WA 98109

JAN - 9 2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

So, you would say that being a son of a preacher that you knew I was going to be talking for a long time. Good evening commissioners. My name is Robert Jeffrey, and I am the co-owner and CEO of Colors Northwest, Inc. -- a local family-owned company that publishes Colors Northwest magazine (a magazine dedicated to exploring ethical diversity in the Northwest) and ColorsNorthwestCareers.com (a jobholder to connect job-seekers of color to employers looking to hire people of color). Colors Northwest magazine was born in 2001 in the most improbable of circumstances.

With not much more than an idea and a staff that believed in the mission, and a relatively tiny amount of start-up capital, we were able to scrape out the first few issues by the skin of our teeth. No one was quite sure what to make of us. As a multi-ethnic publication, we didn't fit into the mainstream model or even the ethnic media model. While we had no shortage of powerful story ideas to work with, getting revenue to grow the business was always an uphill battle. Many advertisers could not see the benefit of advertising with a small start-up publication, preferring to make group buys with larger publications or publications with large parent companies. Like many ethnic publications, we have had a lot to do with little. For the first three years, we worked out of our homes -- having no offices or infrastructure to speak of. This kept costs down and allowed us to weather rocky financial times like the period after 9/11.

The voice that Colors Northwest brings to the local media landscape is unique and independent. We are not beholden to shareholders or the market. We keep our advertising and editorial departments strictly separate. Despite our small staff, the journalism we produce has been recognized with numerous awards (including this year by the Society of Professional Journalists as the best overall magazine in the region). Some notable stories have dealt with the effect of federal detention policy on immigrants, the relations between African-Americans and African immigrants, and the effects of Hurricane Katrina on people of color.

I say all this tonight to say that the ethnic media landscape is one that is dynamic, thriving, and growing. According to a study by New American Media, 45% of people of color prefer ethnic media to mainstream media. People of color are fully a third of the US population and are slated to grow even further. Non-whites are suspected to be the majority in 2050. Yet, in media ownership, this democratic power is not present.

According to a study called 'Out of The Picture' by Free Press, people of color are dramatically under represented in media ownership with only 3.26% of all TV stations owners (although people of color are 33% of the population). This rate of ownership

would be compounded by the increasing push for media consolidation by the FCC -- whose regulations have kept the media conglomerates tempted by the money-making potential in the ethnic market in buying up the few, small ethnic media organizations we have. The loosening of these rules would add to the pressure companies like mine have in staying independent and family-owned. This disparity in ownership works in the ongoing exclusion of people of color in society. Nancy Zirkin of the Leadership Conference of Civil Rights said, 'This should be a national embarrassment, and the fact that some of the recent FCC have been more interested in giving more power to those who have already have too much -- rather than addressing decades of discrimination and ensuring that the little guy would get a chance -- should be a national scandal.'

We strongly encourage the FCC Commissioners to consider the negative downward pressure from media consolidation on ethnic and independent media. One of my favorite idols, Michael Malcolm X, said: 'The media is the most powerful entity on earth. They have the power to make the innocent guilty and to make the guilty innocent.'

And that is power because they control the minds of the masses. It is the independent media -- mainstream and alternative -- that are needed to comfort the afflicted and inflict the comfortable. This is the crucial and precious duty of the fourth estate, and its freedom from consolidation for profit needs to be protected. I am very short in my statements. Thank you for your time.

Comment on Media Ownership (Docket 06-121)

Mark Emmert, President, University of Washington
301 Gerberding Hall
Box 351230
Seattle, WA 98195

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JAN - 9 2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

I am Mark Emmert. I am the president of the University of Washington, but I am really here tonight as a citizen, not as the university's president. As someone who has spent his entire life in education as either a student or as a teacher or as an academic administrator, my perspective on this is slightly different perhaps. I don't pretend to be an expert on media consolidation and media ownership. I don't really understand fully all of the economics of the dynamics that are going on in the media today.

What I do understand is the educational process. And, what I do understand is the role of universities, especially research universities in our society today. If you look at what happens at a university in an academic setting, what you see is that we are really in charge and charged with two simple tasks: one, the creation of new knowledge and new ways of understanding the world around us; and two, disseminating that information to our students and to the world beyond the ivy walls.

Now, the consolidation or homogenization of information, the homogenization of the distribution of ideas around cultural creation, and the lack of diversity that comes from that homogenization of opinions are completely and utterly antithetical to the creation of new knowledge, of new cultures, and the transmission of those to society. It is utterly impossible to have world class universities like the United States has if we do not have the free flow of ideas, a clear and open exchange of diverse opinions and views, and forums in which those can be objectively discussed, debated, and considered in a full and thoughtful fashion.

The consolidation of the media that I see around the United States that is underway right now is working exactly in the opposite of the directions that I -- as an educator -- think are healthy for our students, for our society, and for our educational enterprises. If one stops and thinks about young people coming to a university who only see single points of view in the media, who have only been fed cultural perspectives that are about as rich as fast food... if they have never heard a free and open debate of ideas, what kind of students are those going to be? What is the probability that they are going to challenge views and opinions in the classroom? What is the probability that they are going to be open to diverse opinions that they are going to hear in the university? What's the probability that they, themselves, are going to be creative and invent new ideas going forward?

I have had the opportunity to go to universities in nations where the homogenization of opinions is, in fact, the only opinions that go forward. And you can find students there

who are very good at math. You can find students who are very good at reciting the scientific facts of the day. But you will not find students who are creative. You will not find students who are pushing forward new scientific borders. You will not find students who want to debate issues with their classmates, let alone with their faculty. In short, you will not find the makings of democracy in those places. The free flow of ideas, the diversity of opinions, and the capacity to hear ideas locally and nationally is utterly critical to the educational enterprise. I salute your battle in this effort. I thank you for your good hard work. And I really appreciate you taking time to hear the voices of the people of Seattle. Thank you very much.

Comment on Media Ownership (Docket 06-121)

Diane Lachel (Government Relations Manager, Tacoma Click!)
3628 South 35th Street
Tacoma, WA 98409

FILED/ACCEPTED

JAN - 9 2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

Commissioners Copps and Adelstein, and all those who made this possible, thank you for this opportunity to speak on behalf of one of the largest municipal telecommunications companies in the country. I am Diane Lachel, and I am the Government Relations Manager for Tacoma Power's Click Network. I have seen many changes in the regulatory landscape in my 37 years in this field. Some changes made logical sense. Others, quite frankly, seemed irrational. One area of regulation that needs careful scrutiny is media ownership. And I applaud your efforts.

I plan to cover three topics associated with ownership: the lack of local news, anti-competitive practices, and retransmission consent. First, the lack of local news. I live in Gig Harbor. It is a little suburb of Tacoma, down the road a piece. The City of Tacoma is Washington State's second largest city. Back in 1984, the Tacoma market was awash in localism. It supported two commercial broadcast TV stations, one PBS station, one city-run cable channel and an independent cable channel as well. The impact of media consolidation in our market means very little local television news. Many evenings it means no coverage at all. It actually boggles my mind to think that in a city with a population of 200,000 in a region twice that size, a Seattle station can't find a nugget newsworthy enough from 23 different cities in that county. Sadly, I don't feel very well served by those who have free access to the public's airwaves.

My second point: anti-competitive tactics. Here is an example of the impact of vertically integrated media ownership to our little competitive business. As you know, Congress's primary intention of the [Telecommunications] Act of '96 was to encourage competition amongst wire line providers. That legislation allowed traditional phone companies to get into the video delivery business. It allowed cable companies to get into the phone business, and it dropped barriers to entry for power companies to do both (if actually allowed to by their state authorities). Tacoma Power, a municipal corporation operated by the City of Tacoma, was way ahead of the game. After years of unsuccessfully trying to get the phone and cable companies to provide critical connectivity from 65 substations throughout the utility's 180-square-mile area back to a central location for the purpose of monitoring the electric system, the utility had no other choice but to construct its own telecommunications network. The two incumbent wire line providers admitted at the time they did not have the capacity to provide the kinds of services the utility needed nor did they have any plans to upgrade their networks any time soon.

Thus, in 1997, Click Network was born. After getting unanimous approval by the Public Utility Board and City Council, we began constructing a state-of-the-art network for the utility's own use. We also added capacity to the network to offer retail cable-TV,

wholesale internet, and wholesale high-speed data services. When we began lining up channels for our cable service, several programmers refused to work with us, after receiving pressure from their corporate owner. Their owner just happened to be our competition. The programmers were pressured not to work with us because we were overbuilding their cable arm of their parent company. It took the threat of an anti-competitive lawsuit before the programmers would offer their channels. This was not an isolated case; it has happened several times with programmers in the last decade and also with equipment manufacturers and distributors. Essential electronic component deliveries were delayed due to pressures exerted by our competition. It happened this week.

My third point: I would like to comment about the impact of retransmission consent on our business. Re-transmission consent appears to be in the unintended consequence of relaxed media ownership rules. In our market, some local broadcast stations select "must carry" status in order to be carried on our network. That means, as a cable company, we must carry them. Other broadcasters choose re-transmission consent status; which means they can negotiate their carriage terms. Some of the broadcasters own multiple channels. For instance, KING-TV owns KONG. KOMO is an ABC affiliate and is owned by Disney. In the re-transmission consent scheme, media giants have disproportionate power and can force carriage of channels our customers do not even want. If we don't carry the demanded channels, network affiliates could threaten to pull their primary channel which would be political suicide for us. In conclusion, please consider strengthening the media ownership rules rather than relaxing them. Power in the hands of four or five media conglomerates is not healthy for a democratic society. Thank you for your time.

Comment on Media Ownership (Docket 06-121)

John Sandifer (Executive Director, Seattle AFTRA)
4000 Aurora Ave. #102
Seattle, WA 98103

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IAN - 9/2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

Good evening Commissioners. My name is John Sandifer, executive director of the Seattle Local of the American Federation of Television and Radio Artists (AFTRA). We have seen each other before. I really want to start by speaking on behalf of our members and applauding – particularly you two commissioners – for getting out here into the hinterlands and letting us have an opportunity to tell you what we think about that. You are our heroes.

As a former broadcaster, I really want to get my time here. So many others have not. I know you are familiar with AFTRA because of our appearance here before, our written argumentation filed in Washington, D.C., and appearance of our offices and members on October 3 (I think) in Los Angeles – which was a huge turnout.

So, to localize our comments from Seattle... AFTRA represents more than 1,000 professional performers in a wide range of radio, television, commercial, and music endeavors that depend on free and competitive broadcast outlets for their livelihoods. And, in turn, the community depends – or should be able to depend – on us to provide them the very best and most diverse menu of thought and artistic expression.

The pattern in television here has generally been for two or three network affiliated stations to deliver news over as many as six stations and one or two cable systems. They have also formed strategic alliances with the newspapers for content delivery, but I think that has been as much a matter of economics and convenience as it has been consolidation. In fact, generally, those television stations that have had radio have divested themselves of that.

We are hit with absentee ownership. For instance, at the present time, four of the five major commercial stations that deliver a news product are owned by Viacom, CBS, Below Cox Tribune – one station is locally owned. The Belo Corporation, as others have said, operates KING, KONG, and Northwest Cable News. I would simply suggest that if you add ownership consolidation to the effect of competition in cable, computer, cell-phone, and I-pod competition – and the incessant clicking of that remote control device – what happens is the bottom line often takes over the right of citizens to have their airwaves used for the collective benefit.

In radio in this market, ownership consolidation has resulted in four large conglomerates owning and operating 88% of the top 20 or 25 stations. Those are Clear Channel, Infinity, Intercom, and Sandusky. In Portland, these same enterprises operate 16 of the top 20

stations. I want to turn over the rest of my time to our local president and a professional broadcaster, Steve Krueger, who has a handle on radio news.

Comment on Media Ownership (Docket 06-121)

Joel Kelsey (Grassroots Coordinator, Consumers Union)
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FILED/ACCEPTED

JAN - 9 2007

Federal Communications Commission
Office of the Secretary

Nov. 30 2006

Hi. My name is Joel Kelsey; I'm the grassroots coordinator for Consumers Union, the non-profit publisher of Consumer Reports. In addition to providing consumers with independent research and analysis of products through a magazine, we also fight for a fair and just market place by standing up for consumer rights in public policy. I would like to thank Reclaim the Media, the Seattle Times, and KBCS for the opportunity to testify here tonight. I would also like to thank Commissioners Copps and Adelstein for being here; you've both been present at a number of these hearings throughout the nation, and I commend you for traveling throughout America to hear what we have to say about media policy. Thank you.

[I want] to briefly share the consumer angle on receiving and accessing local news and information through our media and to urge the FCC to avoid the dangerous path of weakening the current ownership caps. Above all, the American consumer values choice. We want the ability to choose not just between different mediums through which we access local news, but we also want the ability to choose between different voices, viewpoints, and opinions when we read, watch, or listen to local news. This is a very important distinction to make because it shows the consumers will not be fooled by recycled local news provided by the same company through different mediums.

Just because consumers can read different newspapers or tune to different local channels and stations, does not mean that we can easily access different viewpoints and voices when all these sources stem from the same parent company. We understand the difference between variety and diversity. The ability to choose among diverse local views and opinions is the choice the consumers crave and is the choice that a healthy democracy is built on.

When local media companies own and operate a majority of the local TV and radio stations from hundreds of miles away, local news coverage is significantly diluted (and congressman Inslee stole a little bit of my thunder here) but in fact a report recently made to the public by the FCC indicates that when its out-of-town media companies buy out smaller local stations the coverage of local issues significantly declines. The FCC found that locally owned radio and television stations air close to six minutes more local news per broadcast to stations with more distant owners. It all adds up to a very simple equation: lifting or weakening the caps on how many stations a company is able to own in one media market means large media conglomerates will swallow up more stations and provide viewers and listeners with less local news. This erosion of local news -- particularly in television -- is especially disturbing because local television broadcasters

are one of only two sources on which Americans really rely to get information about issues and events that are relevant to their community.

In 2004, Consumers Union and the Consumer Federation of America randomly surveyed consumers to find out which news sources Americans depend on for local news and information. We found that most -- in fact 34% -- believe the major daily newspaper is the most important source of local news. Local television broadcasters followed in a close second, at 21%. So when people want to know what happened at the latest common council meeting or when the Salvation Armies have clothing drive days or when the next school board meeting is, they turn to their local television stations and newspapers.

These are by far the two most dominant sources of local news and information. And so all these different numbers tell us two things. One is that by lifting the ban on cross-ownership between television stations and the local major dealing newspaper, the FCC would be allowing the two most competitive sources of local news to merge. It's a dangerous thing for meted democracy in America. The second thing is that, by easing the caps on television and radio station ownership, the FCC will be adding fuel to the fire that is gobbling up local news coverage. This means that the FCC decides to once again walk down that dangerous road of lifting or easing the already weakened ownership caps; this would be undermining any remaining benefits of local competition, it would be limiting consumer choice, and making it much harder for localism and diversity to thrive in the American media. We urge the FCC to avoid this path and instead fulfill its mission for encouraging localism and diversity by putting the will of the American public before the purse strings of the American media industry. Thank you for listening.

Comment on Media Ownership (Docket 06-121)

Mai Nguyen (President, Minority Executive Directors Coalition)
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Nov. 30 2006

FILED/ACCEPTED

JAN - 9 2007

Federal Communications Commission
Office of the Secretary

I will not only be short, but be very brief with my comment. My name is Mai Nguyen. I am the president of the Minority Executive Directors Coalition. MADC is the longest standing and broadest based association of executive directors and program directors who are persons of color working in private non-profit human service and community development agencies in Seattle and King County. Founded in 1981, MADC is recognized for its success in sustaining a diverse multi-racial coalition of individuals who work together to inform, educate, influence, and empower our diverse constituents in an effort to work towards social, political, and economic equality entrusted for communities of color in King County. It was founded by Bernie Whitebear, Roberto Maestas, Bob Santos, and Larry Gossett, which united the Asian-Pacific-American, African-American, Native-American, and Chicano-Latino communities [...] for people of color. MADC currently has over 150 members. For over 23 years, we have worked successfully in sustaining and nurturing cooperation, unity, and networking among its members.

We are here today to express our deepest concern over the issue of media ownership consolidation. We believe that media ownership consolidation will have a devastating impact on our community and we do not support it at all. The current coverage and shows we received from our mainstream media is appalling and distorts who we are (mostly covering people of colors committing crimes as you have already heard or the various stereotypes of our community). We work countless days to deal with these stereotypes and media images of our communities. We need broad coverage and shows that reflects the contributions that people of color and we believe that consolidating the ownership of the media is not the answer. We are thankful for you two in championing this work and we will do whatever it takes in organizing our community to help in fighting this effort. Thank you.

Comment on Media Ownership (Docket 06-121)

David Groves (Communications Director, Washington State Labor Council)
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FILED/ACCEPTED
JAN - 9 2007
Federal Communications Commission
Office of the Secretary

Nov. 30 2006

Hi, my name is David Groves. I'm the communications director for the Washington State Labor Council – the largest union organization in the state – which represents the interests of more than four hundred thousand rank and file union members. I thank you for the opportunity to come here and speak to you tonight.

One of my responsibilities at the State Labor Council is media relations which includes trying to convince the press to cover issues and events that unions would like more people to know about. Sometimes I succeed and more often I don't. I suppose that's probably true for a lot of people that do my work. But, in my experience, those of us in organized labor feel particularly disenfranchised by the 'so called' mainstream media and for good reasons – all of which are exacerbated by media consolidation. That's why the State Labor Council and the national AFL-CIO strongly oppose any FCC proposal to relax media ownership limits.

Back in the day, newspapers used to have reporters who were assigned the labor beat and union news was much more common. Now, there are only business reporters... if that. They cover strikes and labor disputes and precious little else involving unions – except, perhaps, union political activity and criticism of it. Reporters I deal with often aren't familiar with the different unions, how they operate, and who they represent, and the quality of their coverage suffers as a result.

Now, one can argue that the extensive coverage of labor occurred at a time when far more people belonged to unions and that may be true to an extent. But here in Washington, nearly 20% of the jobs are unionized – making us one of the most heavily unionized states in the nation. And, there are more than half of a million union members, all of whom are media consumers. I think they would like to learn more about what their unions are doing.

Many union leaders I have talked to have come to believe that the corporate media -- as they call it -- is predisposed against them and deliberately ignores union issues for ideological reasons. Although I understand their frustration (as a former newspaper copy editor myself), I wasn't so sure that was true. I didn't want to believe that was true. I thought there is nothing sinister about it; it is not a vast right-wing or left-wing conspiracy. It is just economics. The big media conglomerates that have been allowed to buy up newspapers, radio, and TV stations are making profit-minded decisions to cut costs.

The handful of independent and family-owned media that remain are often forced to do the same in order to compete. They end up shrinking their news departments or, in the case of some radio stations, eliminating them entirely. They end up broadcasting or printing more syndicated national content instead of locally produced programs and stories. And, that is excuse number one I hear from news editors about why they didn't cover our issues -- that no reporters were available. They were just stretched too thin that day.

But, it is excuse number two that gives me pause to reconsider the argument that corporate media ideology is to blame. Often times, union news involves organizing drives where workers at a particular company are trying to form a union. These days in America, a multi-billion dollar union-avoidance industry exists. Employers hire these consultants to teach them how they can skirt or just plain break the law that says employers are allowed or not allowed to coerce, intimidate, or interfere with workers who support unionization. Employers can do this today with relative impunity because the law is so weak and rarely enforced.

That is why unions often send out press releases and seek media coverage of illegal employer harassment or outright firing of union organizers because the wheels of justice at the National Labor Relations Board turn way too slowly... if at all. So, media scrutiny of these potentially illegal actions is critical; but it rarely happens. An excuse I usually get from news editors is that 'we don't get involved in internal labor disputes except when it affects the entire community.' My translation for that is that newspapers, radio, and TV stations have no interest in imputing and impugning area business -- all of which are advertisers or potential advertisers based on the accusation of some angry worker or union.

I am here to tell you that the suppression of working people's freedom of association does affect the entire community and deserves some scrutiny. We aren't getting it today, and we have even less chance of getting it tomorrow if the FCC allows giant corporations to continue buying up broadcast outlets and newspapers. We need to go in the exact opposite direction to add more independent voices in the media. I thank you for listening.